

EXHIBIT 5

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SETTLEMENT AGREEMENT

This Settlement Agreement effective as of March 10, 2008 (may be amended, supplemented or otherwise modified from time to time, hereinafter referred to as "Agreement") is between Residential Funding Company, LLC ("GMAC-RFC") and Sierra Pacific Mortgage Company, Inc. ("Client"), collectively the ("Parties") and individually the ("Party").

RECITALS:

WHEREAS, GMAC-RFC purchased from Client pursuant to the terms and conditions of that certain Client Contract dated March 13, 2002 (as amended, supplemented or otherwise modified from time to time, hereinafter referred to as the "Client Contract") those residential mortgage loans described on the attached Exhibit A (hereinafter referred to as the "Subject Loans");

WHEREAS, GMAC-RFC has demanded that Client repurchase the Subject Loans pursuant to the Client Contract;

WHEREAS, Client has not repurchased the Subject Loans;

WHEREAS, the Parties have agreed that it is in their respective best interests to settle their disputes with respect to the Subject Loans on the terms and conditions hereinafter set forth;

NOW THEREFORE, in consideration of the premises and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, GMAC-RFC and Client hereby agree as follows:

1. PAYMENT:

(a) In settlement of GMAC-RFC's claims, and in consideration of GMAC-RFC releasing its claims against Client relating to the Subject Loans and all other undertakings stated in this Agreement, Client will pay to GMAC-RFC the amount of \$979,858.95 ("Settlement Amount"). Client will pay the Settlement Amount to GMAC-RFC with an initial installment of \$310,662.63 on or before May 9, 2008 for (GMAC-RFC 11208167, Client 424381), (GMAC-RFC 11249653, Client 409164), (GMAC-RFC 11208459, Client 432217) and (GMAC-RFC 19718867, Client 493663) and a final payment of \$277,313.04 on or before June 13, 2008 for (GMAC-RFC 11301421, Client 432200.)

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(b) Payment shall be made to GMAC-RFC no later than 12:00 Noon
(Minneapolis time) on the due date and shall be made in lawful money of the United States of America in
immediately available funds transferred via wire to GMAC-RFC's account at:

BANK ONE

Chicago, IL 60670

ABA #071000013

Credit to GMAC-Residential Funding Company, LLC

DDA account #1097286

Attn: Melissa Simons

RE: Sierra Pacific 3_08

(c) If Client fails to pay the Settlement Amount on a timely basis in accordance
with the payment schedule, or otherwise breaches its obligation under the Client Contract or any other
Agreement it has with GMAC-RFC, GMAC-RFC may, at its option, by written notice to Client, either (i)
accelerate the remaining balance or (ii) terminate this Agreement and proceed against Client with respect to
the Subject Loans under the Client Agreement.

2. RELEASES:

(a) Client for itself, its present and past representatives, heirs,
executors, administrators, successors, assigns, family, partners, employees, agents and attorneys does
hereby fully and forever release and discharge GMAC-RFC, and any entity affiliated in any manner with
GMAC-RFC and its representatives, heirs, executors, administrators, successors, assigns, family, partners,
employees, agents, and attorneys from any and all claims, demands, torts, damages, obligations, liabilities,
costs, expenses, rights of action, or causes of action, arising out of the Subject Loans.

(b) Upon full payment of the Settlement Amount by Client and the performance
by Client of all other terms and conditions of this Agreement, GMAC-RFC for itself, its present and past
representatives, heirs, executors, administrators, successors, assigns, family, partners, employees, agents,
and attorneys will fully and forever release and discharge Client, and its respective representatives, heirs,
executors, administrators, successors, assigns, family, partners, employees, agents and attorneys from all

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claims, demands, torts, damages, obligations, liabilities, costs, expenses, rights of action, or causes of action arising out of the Subject Loans.

(c) The Parties acknowledge that they may hereafter discover facts different from or in addition to those which they know or believe to be true with respect to the Subject Loans and agree that this Agreement shall be and remain effective in all respects notwithstanding such different or additional facts or the discovery thereof. Nothing in this Agreement shall be deemed to release any claims arising (i) under the Client Contract but unrelated to the Subject Loans, or (ii) under any other Agreements now or hereafter in effect to which GMAC-RFC and Client are parties.

3. **NO OTHER ACTIONS:** Each Party represents and warrants that it has not brought and will not bring against the other party any other suits or actions, however denominated concerning any claim, demand, liability or cause of action, that is the subject of this Agreement.

4. **NO ADMISSION OF WRONGDOING:** This instrument shall not be construed as an admission of responsibility, liability or fault whatsoever for either Party's claims. Client and GMAC-RFC deny all such responsibility and deny that they have engaged in any improper, illegal, or wrongful conduct toward each other.

5. **REPRESENTATIONS AND WARRANTIES:** Each of the Parties does hereby represent and warrant to the other that this Agreement is a valid and binding obligation of each Party enforceable in accordance with its terms.

6. **ENFORCEMENT EXPENSES OF PREVAILING PARTY:** Each Party agrees that in the event of any dispute regarding this Agreement or the claims, demands, liabilities, and causes of action included within its scope, the losing Party will be liable to reimburse, on demand, the prevailing Party for any and all expenses and costs, including, without limitation, the fees and expenses of the prevailing Party's counsel and of any other counsel, experts, consultants or agents that the prevailing Party may incur after the date hereof in connection with the enforcement of this Agreement.

7. **CONFIDENTIALITY:** All terms of this Agreement are and shall remain confidential and shall not be disclosed to other parties other than to the Party's attorneys, accountants or other professionals, or in conjunction with a due diligence investigation of any Party's business, except: a) to the

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W.
H.

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extent that the Parties are obligated to make disclosure as a result of legal process or to perform other legal duty; or b) except as agreed by all Parties in separate writing.

8. **FURTHER ASSURANCES:** Each Party agrees to execute all such further documents as shall be reasonably necessary or helpful to carry out to the provisions of this Agreement.

9. **NO PRIOR ASSIGNMENT OF CLAIMS:** Each Party represents and warrants that "said Party has not previously assigned or transferred any claim, demand, liability, or cause of action that is the subject of this Agreement.

10. **AMENDMENTS AND WAIVER:** No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by Client and GMAC-RFC, and no waiver of any provision of this Agreement, and no consent to any departure there from by Client or GMAC-RFC shall be effective unless it is in writing and signed by Client and GMAC-RFC, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

11. **CONSTRUCTION:** This Agreement constitutes a negotiated document. In case of any alleged ambiguity in any term of this Agreement, such term shall not be constructed in favor of or against either Party by reason of the participation of such Party or its attorneys in the negotiation or drafting of this Agreement.

12. **APPLICABLE LAW:** This Agreement shall be subject to and constructed and enforced in accordance with the internal laws of the State of Minnesota without giving effect to any conflicts of laws principles.

13. **BINDING EFFECT AND ASSIGNMENT; INTENDED THIRD PARTY BENEFICIARY:** This Agreement shall insure to the benefit of, and shall be binding upon Client and GMAC-RFC and their respective successors and assigns.

14. **SEVERABILITY:** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be effective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction, and to this end, the provisions hereof are severable.

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15. **FACTUAL INVESTIGATION:** Each Party has made such investigation of the facts pertaining to this Agreement, as it deems necessary.

16. **SECTION HEADINGS:** Section headings in this Agreement are for convenience only and shall not in any way limit or affect the meaning or interpretation of any provision of this Agreement.

17. **ENTIRE AGREEMENT:** This Agreement embodies the entire agreement between the Parties as to the subject matter hereof, and supersedes all prior agreements and understandings relating to the subject matter hereof. Without limiting the generality of the foregoing, this Agreement represents the final agreement between the Parties as to the subject matter hereof and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the Parties; and there are no unwritten oral agreements between the Parties and neither OMAC-RFC nor Client, nor any officer, agent, employee, representative or attorney for OMAC-RFC or Client, has made any statement or representation to the other Party regarding any facts relied upon in entering this Agreement, and neither Party has relied upon any such statement or representation in executing this Agreement or in making this statement herein set forth.

18. **COMPREHENSION OF AGREEMENT AND DUE AUTHORIZATION:** Each Party hereto has read this Agreement and understands the contents thereof. Each of the officers or agents executing this Agreement on behalf of their respective principals is empowered to do so and thereby binds his or her respective principal.

19. **COUNTERPARTS:** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed and delivered by its officer thereto duly authorized as of the date first above written.

Sierra Pacific Mortgage Company Inc.

By: _____

Name: _____

Title: _____

Date: _____

[Signature]
Name: Maria Dunn
Title: Treasurer & Assistant Secretary
Date: 3/10/08

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~~Residential Funding Company, LLC~~

By: 

Name:

Sudith Dallman

Title:

Director

Date:

3/12/2008

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EXHIBIT A - SUBJECT LOANS

<u>Client Name and ID</u>	<u>GMAC-RFC #</u>	<u>Client #</u>	<u>Borrower</u>	<u>Orig Prin Bal</u>	<u>Product</u>	<u>Rep Letter Date</u>	<u>Rep Age</u>	<u>Estimated Loss</u>
Sierra Pacific Mortgage Company, Inc.-5380	11208467	432765	██████	\$95,000	Goal Loan	1/11/08	25	\$103,440.85
Sierra Pacific Mortgage Company, Inc.-5360	11301585	443846	██████	\$375,000	Expanded Criteria	2/8/08	31	\$268,442.33
\$391,883.28								

<u>Client Name and ID</u>	<u>GMAC-RFC #</u>	<u>Client #</u>	<u>Borrower</u>	<u>Orig Prin Bal</u>	<u>Product</u>	<u>Rep Letter Date</u>	<u>Rep Age</u>	<u>Estimated Loss</u>
Sierra Pacific Mortgage Company, Inc.-5380	11208167	424381	██████	\$40,600	Goal Loan	1/28/08	8	\$45,452.76
Sierra Pacific Mortgage Company, Inc.-5360	11249653	409164	██████	\$75,000	Goal Line	1/14/08	22	\$79,023.90
Sierra Pacific Mortgage Company, Inc.-5360	11208459	432217	██████	\$117,000	Goal Loan	1/28/08	8	\$127,106.10
Sierra Pacific Mortgage Company, Inc.-5360	19716867	493663	██████	\$157,500	Payment Option	3/3/08	7	\$59,079.85
\$310,662.63								

<u>Client Name and ID</u>	<u>GMAC-RFC #</u>	<u>Client #</u>	<u>Borrower</u>	<u>Orig Prin Bal</u>	<u>Product</u>	<u>Rep Letter Date</u>	<u>Rep Age</u>	<u>Estimated Loss</u>
Sierra Pacific Mortgage Company, Inc.-5360	11301421	432200	██████	\$468,000	Expanded Criteria	1/28/08	8	\$277,313.04
\$277,313.04								

Received by SPM on Monday, 10 March 2008 09:36 AM

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